

**BACKGROUND INFORMATION FOR**  
**DEPARTMENT OF EDUCATION**  
**SFA - STUDENTS FINANCIAL ASSISTANCE**  
**STUDENTS CHANNEL LEADERSHIP TRAININGS**

From Nancy Brodsky  
To all trainers working with the Department of Education FL trainings

Hi all!!!

I am so excited that you are on the delivery team for this initiative. I want to make sure that you have background information to help set you up for success. This has been an amazing project that has produced exciting results, and we are now at the critical time of helping to transfer capability to the organization. It is our hope to truly live up to our mission of demonstrating the power of collaborative action and transferring capability to our client. Please let me know if you have any questions or if I can support you in any way! (I have put in bold acronyms or concepts that you may hear within the training.)

**CONTEXT-**

- **SFA- Student Financial Assistance-** we have been working with the SFA group within the Federal Department of Education since December of 1999. SFA is the arm of the Department of Education that provides all federal aid assistance to anyone in the country receiving federal financial assistance of any kind for higher education. It provided approximately \$60 billion in Federal grants and loans to >6 million borrowers in the year 2000, an 84% increase in the Direct Loan portfolio since it started in 1994. It's expected to more than double by 2004 and will continue to increase until substantial numbers of Direct Loan borrowers finish repaying their loans. (There are ≈1276 SFA employees.)
- **SFA mission- "*We help put America through school*"** (You will likely hear people refer to this mission.) Also, the leadership team of SFA has gone to *Disney Institute* several times, and has developed some standards by which they want to live—
  - **Be worthy of trust**
  - **Be courteous**
  - **Deliver Great Products and Services**
  - **Be efficient.**You may also hear these referred to in the training.
- **FAFSA- (Free Application for Federal Student Aid),** a form that you or people you know may have filled out, is now on the Internet, and SFA has sent a total of 12 million ID numbers to prospective applicants.
- **Congressional mandate for PBO- Performance Based Organization-**

With bipartisan support, the Higher Education Amendments of 1998 established SFA as the federal government's first PBO. The charter is to improve this branch of the government through attention to what they refer to as **the 3 legs of the stool**–

- **Improve customer service and satisfaction**
- **Reduce costs**
- **Improve employee satisfaction.**

SFA is to use best in industry practices to web-enable its processes and to integrate, consolidate, and retire its legacy systems, moving toward a simpler business and technical model that allows customers to access the information they need, when they need it, on paper, by phone, and over the Internet.

SFA is investing \$47 million in FY1999 (9% of their total operating budget) and \$74 million in FY2000 (11% of their total operating funds).

- **Accenture**– In order to reach their goals, they hired Accenture (formally Andersen Consulting) as their key **Modernization Partner**, and with them developed a 5-year plan. As part of that 5-year plan, a number of **IPT's- Integrated Product Teams**–have been formed–cross-functional teams that are formed to accomplish specific business objectives along the 5-year plan.
- **Organizational realignment**– Also, as part of this modernization effort, SFA has been realigned according to traditional commercial business segments in order to most effectively address customer wants and needs–
  - **Students Channel**
  - **Schools Channel**
  - **Financial Partners Channel**
- **The Students Channel**– We were originally brought in to work with the Students Channel, and have been working with them since December of 1999. The Students Channel is responsible for providing high quality service to potential and current borrowers and for aiding recipients, while ensuring that students and parents understand their options to finance education. They perform such functions as: customer service and call center support, aid awareness, application processing, and credit/loan management. Their leadership team is in DC, and they have 3 regional offices–Atlanta, Chicago, and San Francisco. (Of the ≈1276 SFA employees, ≈300 are in the Students Channel, and of these, ≈180 are in the regions, which houses the regional collection centers.) It was felt that–
  - They are not reaching as many and divergent people to provide the opportunity to know about financial aid
  - There are eligible people who never request information in the first place
  - Of those who request forms, many do not complete the application process
  - And, those who complete the application process often receive information that is untimely, non-targeted, and sometimes dense.

So the Students Channel is interested in putting their primary focus on helping students to do thoughtful planning so that repayment is not a burden, essentially in helping people at all

stages of their life to have the right information, in the right way, at the right time to make thoughtful decisions about post-secondary education.

- **IA's role-**
  - We were brought in to the Students Channel in December of 1999 by a former client who was then the **General Manager** for the Students Channel. (Since we started, there is a **new General Manager–Jennifer Douglas.**) Their interest has been to have us help them charter and facilitate teams–their **IPT's**–and to help them build a collaborative culture within the Students Channel that will lead to internal buy-in and commitment to their mission, vision, and values. To that end, we have–
    - Chartered and facilitated a number of IPT's, including–
      - Stakeholder analyses
      - Chartering
      - Building Process Road Maps
      - Designing and facilitating team launches
      - Designing and facilitating regular core team meetings as well as large stakeholder input meetings of vendors, customers, employees, and people from other Channels and departments of the Department of Education
      - Designing and facilitating 2 Students Channel leadership team off-sites. In the first leadership retreat, we brought in Kevin Woodson to help listen to their vision for the Students Channel and to build a **Vision Map** which is truly inspiring. (I will try to see that that map is brought to each of the trainings.) We also developed a set of
- **Students Channel Values–**
  - Commitment to Excellence
  - Integrity
  - Human Dignity
  - Shared Responsibility
  - Social Responsibility.

These have more recently been developed and discussed throughout the Students Channel, but I would say that they aren't household words yet.

Again, I can't tell you how meaningful this work has been and how delighted I am that you will be engaged in this critical part of our work with this group.

*Nancy Brodsky*